Agenda Item #3

DC & Regional Food Economy

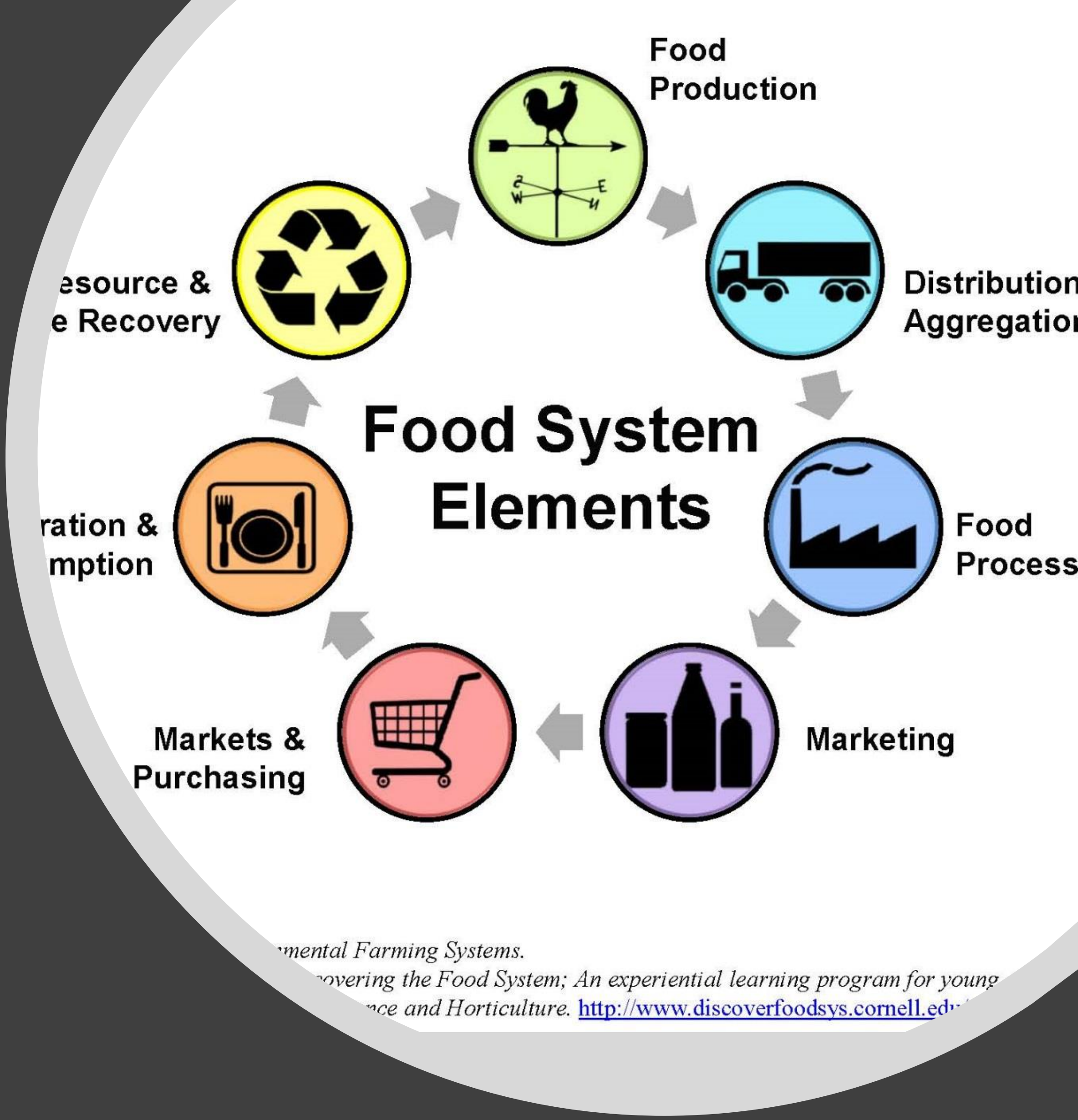
May 23, 2018

Agenda

- Food Systems & Climate
- Food Policy Context
  - Federal
  - Regional
  - Local
- Future of the Food Economy
  - Regional Food Economy
  - DC Food Economy
- Questions & Discussion

SCOPE OF THE FOOD SYSTEM

- Production issues (farmland preservation, farmers markets, household & community gardens)
- Processing issues (local vs. external)
- Distribution issues (transportation, warehousing)
- Access issues (inner-city grocery stores, co-ops, school breakfasts & lunches, food stamps, the WIC program, etc.)
- Use issues (food safety and handling, restaurants, street vendors)
- Food recycling (gleaning, food banks, food pantries and soup kitchens)
- Waste stream issues (composting, garbage fed to pigs, etc.).



Federal Food Policy 2018 Farm Bill Battle

- Sets agriculture and food policy at a national level
  - Includes commodity programs, trade, rural development, farm credit, conservation, agricultural research, food and nutrition programs, (SNAP) etc.
  - SNAP makes up 80% of Farm Bill costs
  - House Bill 2: Failed last week
    - Work requirements for SNAP (nutrition)
    - Cut healthy food access programs, farm safety net and conservation programs

- US Conference of Mayors – letter and resolutions
- City & State Advocacy on the Hill
- Collaborating with Food Policy Action
- Up Next: Senate Farm Bill Battle

Food Systems & Climate – Region Forward

Land Use

- We seek the enhancement of established neighborhoods of differing densities with compact, walkable infill development, rehabilitation and retention of historic sites and districts, and preservation of open space, farmland and environmental resource land in rural areas.

Environment

- We seek preservation and enhancement of our Region’s open space, green space, and wildlife preserves.

Health & Human Services

- We seek communities in which every person enjoys health and well-being.

Economy

- We seek a diversified, stable, and competitive economy, with a wide range of employment opportunities and a focus on sustainable economic development.
- We seek to minimize economic disparities and enhance the prosperity of each jurisdiction and the Region as a whole through balanced growth and access to high-quality jobs for everyone.

Regional Guidance: Regional Climate & Energy Action Plan

Goal: Increase Sustainable Urban Development

- Action 4-k: Provide support or incentives for urban agriculture (e.g., edible landscaping, school and community gardens, urban farming). 75% target
- Action 4-o: Utilize zoning, development and permitting regulations, and other tools to support local food production, processing, and distribution in urban, suburban, and rural communities (e.g., farmers' markets, community gardens, on-farm processing/working farmland, agri-tourism, etc.). 50% target

Goal: Move Towards Zero Waste

- Action 5-e: Implement a sustainable food purchasing policy. 25% Target
- Action 5-n: Develop a strategy for residential and commercial sector organics collections, including food composting and recovery initiatives. 25% Target
- Action 5-q: Support initiatives that divert healthy food that might otherwise be wasted to charitable organizations. 25% Target
- Action 5-t: Promote food waste education for consumers and food service employees. 25% Target

Goal: Protect Equity & Health

- Action 7-d: Develop a healthy food access or food security plan. 25% Target

DC's Food System by the Numbers

- **58** farmers markets, 5 open year round
- **51** full-scale grocery stores
- **71** healthy corner stores
- **68** community gardens in DC
  - More than 1800 plots/gardeners
  - ~29.2 acres under cultivation
- **127** active school gardens
- **11+** commercial farms
- **147** locations for free summer meals
- **35+** CSAs delivering in DC
- **5** Commercial kitchen incubators
- **1000+** Community members participating the Food Policy Council

DC's Economy & Food Context

- ECONOMIC STRATEGY: Global model for inclusive prosperity and resilience, showcasing how diversity and innovation can drive equitable growth.

- CORE SECTORS: federal government, professional services, hospitality and tourism, healthcare & life sciences, higher education, real estate and construction, retail, technology, media and communications, and creative economy

- GOAL: Grow private sector economy to $100 billion (by 20%) by 2021

- GOAL: Reduce unemployment below 10% in all wards (esp. 7 & 8, African-Americans, and high school graduates without bachelors)

- TRENDS: Expansion in variety and location of food and nightlife scenes
  - 2010 to 2016, DC has seen a surge in the number and variety of restaurants, including healthy eating concepts, up-and-coming fast-casual options, new food halls, and artisanal markets.
  - DC had more than 2,100 food-service and drinking establishments as of 2014, up 29% from a decade earlier, and 3 of the top 100 nightclubs and bars by revenue in the country.

SUSTAINABLE DC FOOD

GOAL	TARGET By 2032…
Increase agricultural land uses within the District.	Put 20 additional acres of land under cultivation for District food.
Ensure universal access to secure and nutritious food supplies.	Ensure 75% of DC residents live within 1/4 mile of a community garden, farmers' market and/or healthy corner store.
Develop the food industry into a strong and viable economic sector.	Produce or obtain 25% of food within a 100-mile radius.

DC Food Policy Context

- Food Production & Urban Gardens Act of 1986
- Expansion of retail/restaurant zoning restrictions
- Rise of DC Restaurants – mid 2000s
- Grocery Store incentives move more grocers in city
- Change in Food Truck Laws – opened up innovation
- Sustainable DC Food Policy
- National shift in retail – towards services & hospitality
- Food Policy Director & Council
- TODAY: DC COOL

DC Food Policy Council

VISION: Create a just, healthy, equitable and sustainable food system for all by engaging, empowering, and informing DC residents and effecting positive policy change.

- Promote food access, food sustainability, and a local food economy, including non-mainstream producers
- Monitor regulatory barriers to the local food economy, including barriers to
  - farmers markets,
  - existing food assets
  - job creation potential
- Collect and analyze data on the local food economy and food access in the District, including an assessment of food deserts; and
- Monitor and research national best practices in food policy, and determine how they could be implemented in the District.
- 4 Working Groups
  - Local Food Business & Labor Development;
  - Food Equity, Access, & Health and Nutrition Education;
  - Sustainable Food Procurement;
  - Urban Agriculture & Food System Education
- 1000+ community residents and business owners engaged annually

Organization & Resources

City Metrics	
Population	700,000+
% Food Insecure	18%
% Pop receiving SNAP	15%

- *"Promote food access, food sustainability, and a local food economy in the District"*

Government Organization

- Food Access and Security Task Force of City agencies convened in 2013 to evaluate food access, urban agriculture, and DC's food economy which led to a Sustainable DC Mayor's Order Food Access & Security Report
- Food Policy Council and Director Establishment Act of 2014 established structure with **Food Policy Director** (funded beginning in 2015) located in Office of Planning

Funding

- $200,000 for local food economy study, Food Policy Director, Food Analyst

Programmatic Goals

- **Increase agricultural land uses within the District** (*By 2032, put 20 additional acres of land under cultivation for growing food*.)
- **Ensure universal access to secure, nutritious, and affordable food supplies** (*By 2032, ensure 75% of DC residents live within 1⁄4 mile of a community garden, farmers' market or healthy corner store*.)
- **Develop the food industry into a strong and viable economic sector** (*By 2032, produce or obtain 25% of food within a 100-mile radius.)*

DC Initiatives, Issues, Goals

Healthy and Affordable Food

- **Grocery Store Development Program** – financial assistance to grocery stores in targeted areas with Grocery Ambassadors to help navigate program
- **Healthy Food Retail Program** – financial assistance to corner stores, farmers markets, and small food retailers, housed in Department of Small and Local Business Development (DSLBD)
- **FEED-DC Act: Supermarket Tax Credit Incentive Program** – financial assistance to open or renovate large grocery stores in high poverty areas
- **Healthy Schools Act** of 2010 established nutritional standards for school meals, healthy vending requirements, and created a farm-to-school program.

Urban Agriculture

- D.C. Urban Farming and Food Security Act of 2014, and 2015 Amendment provides tax rebates for agriculture use and tax credits for farm to food donations
  - **90% tax abatement** for agricultural property use
  - **50% tax credit** for food donations to a nonprofit food bank or shelter (repealed in amendment)
- Land leases of District-owned vacant lots for urban farming and identification of public lots that could be used for urban agriculture.

Food Entrepreneurship and Economic Development

- The Cottage Food Act of 2013 amends Health Code to permit cottage food businesses to operate without a license and authorizes the Health Department to issue regulations for cottage food businesses
- Made in DC Program Act – recognizes local arts, makers, creators, and producers and provides support for local food value-added businesses.

Food Waste

- Save Good Food Amendment Act of 2017 creates a tax credit for food donation to nonprofits, expands liability for food donations, and creates a guide for food date labels.
- DC Food Recovery Working Group – community collaboration, week of action,
- Residential Composting Incentives Amendment Act of 2017 creates a rebate for the purchase of home composting systems for DC residents – under review now

Sustainable Food Procurement Working Group

- Focus on school food making procurement processes more transparent. Work with OSSE to update the Healthy Schools Act (HSA), and convene stakeholders around central kitchen facility.
- Focus on wasted food learning more about the scope of the issue, opportunities to shift policy, and opportunities to engage.
- Study the Good Food Purchasing program, work with DC Public Schools and other partners determine if the program is a good fit for DC.
- Partner & advocate for inclusion in Healthy Students Amendment Act

CENTER FOR GOOD FOOD PURCHASING

Urban Agriculture & Food System Education Working Group

- Implementing of the D.C. Urban Farming and Food Security Act of 2014 Collaborating with DC agencies to get land in the hands of local farmers. Pursue potential amendments.
- Provide support for key challenges for urban ag. including land access, barriers to production, community education, community garden training and support.
- Assess the current state of food system education in DC and collaborate with partners to expand and systematize it as a core part of education for DC's youth.
- *Sustainable DC Food Goal 1:* Increase agricultural land uses within the District. Target: By 2032, put 20 additional acres of land under cultivation for growing food.

DC Food Economy Study

Preliminary Study Findings

Study Purpose & Goals

Funded by District of Columbia Office of Planning (DCOP), in partnership with the DC Food Policy Council (DCFPC)

Purpose

- Quantify the economic impact of the food industry,
- Identify gaps and opportunities, and
- Create recommendations for a strategy to support and grow the local food economy.

Goals

- Enable the District to develop a comprehensive understanding of the local food economy and its opportunities and challenges.
- Provide policymakers with insight into the operation of the food industry and inform strategies to support, retain, and grow food businesses.

Economic Model Key Findings

- 9.2% of the DC economy.
- $5.47 billion total value added.
- 2nd only to the federal government (22%) and professional services (13%) (ahead of hospitals).
- Disconnect in workforce skills and business needs = training opportunity.
- Wholesalers and suppliers have move to the suburbs (over 10 years).
- $75 million in unmet grocery store sales in DC.
- Unmet demand for soft drinks, bread and baked goods, beer, and fruits and vegetables.

Economic Impact Summary of Food Economy in DC

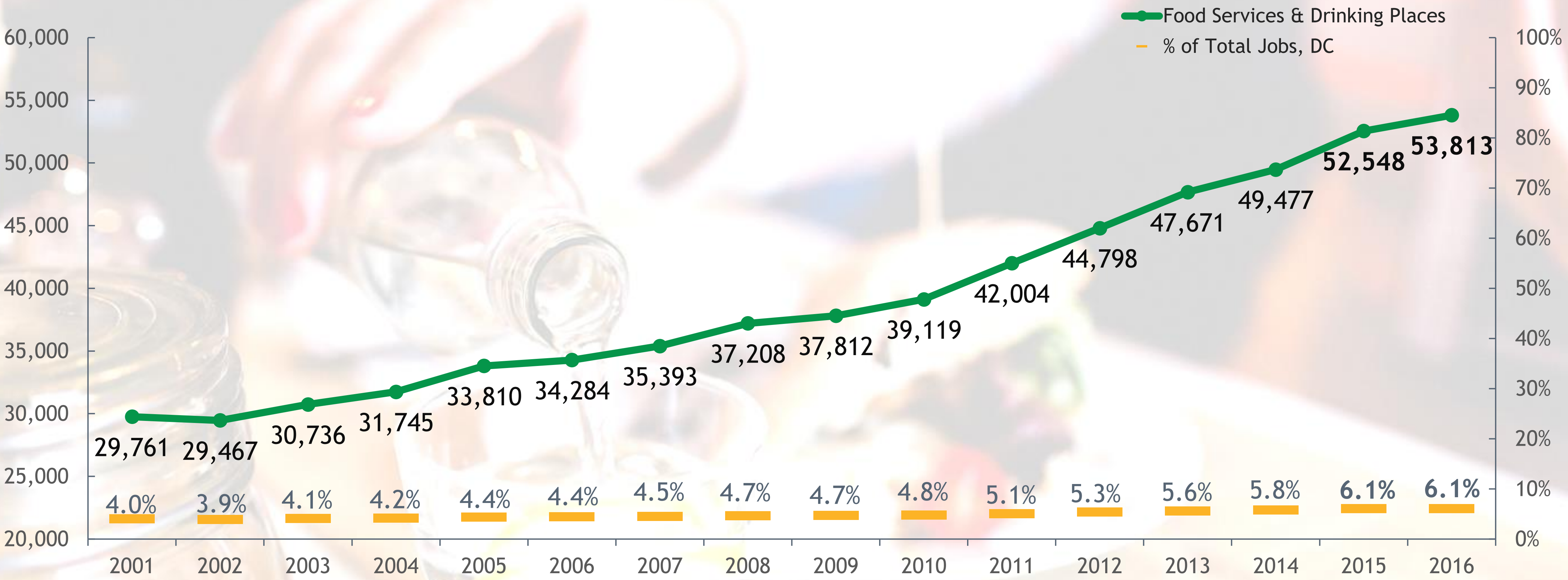
	Direct	Indirect	Induced	Total Food Economy	Total DC Economy (all sectors)	% of Total Economy
Employment	71,298	5,846	4,686	**81,831**	893,122	**9.2%**
Labor Income	$2,744,009,921	$577,327,982	$321,770,043	**$3,643,107,946**	$96,653,338,602	**3.8%**
- Employee Compensation	$2,691,983,399	$535,041,212	$301,216,845	**$3,528,241,457**	$90,594,786,587	**3.9%**
- Proprietors Income	$52,026,522	$42,286,770	$20,553,198	**$114,866,489**	$6,058,552,015	**1.9%**
Value Added	$4,061,701,166	$916,623,046	$491,681,828	**$5,470,006,040**	$130,577,882,721	**4.2%**
Output	$6,606,918,406	$1,327,921,581	$750,260,694	**$8,685,100,681**	$169,672,088,863	**5.1%**

Source: IMPLAN Model for District of Columbia Utilizing ICF Inputs.

- The District of Columbia's food economy is a vitally important component of its overall economy, supporting 9% of all jobs in City, 4% of all labor income earned in the City, and 5% of the City's total economic output (the value of all goods and services produced in the City).

District of Columbia

Number of Jobs - Food Services and Drinking Place (Restaurants and Bars) 2001-2016

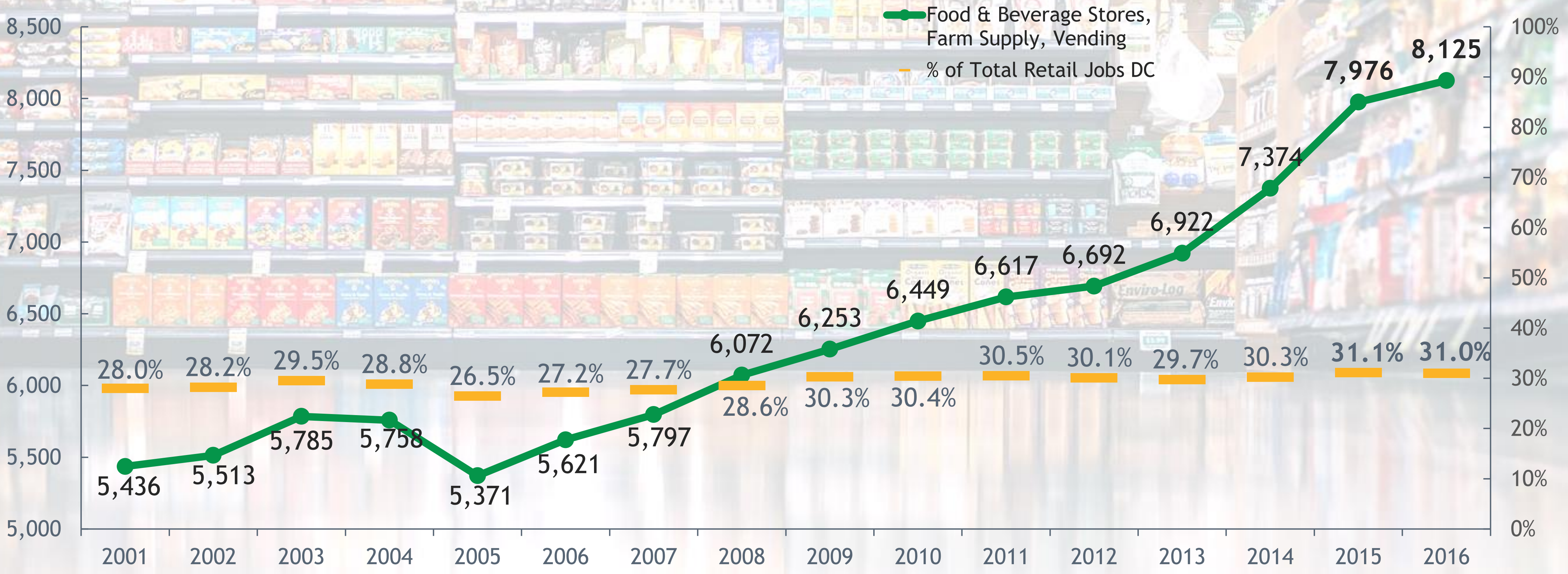


Source: EMSI (based on BLS data)

- Restaurants and bars are by far the largest food sector in the District and the fastest growing, growing from 4% of the city's total jobs in 2001 to over 6% in 2016.

District of Columbia

Number of Jobs - Food and Beverage Retail 2001-2016

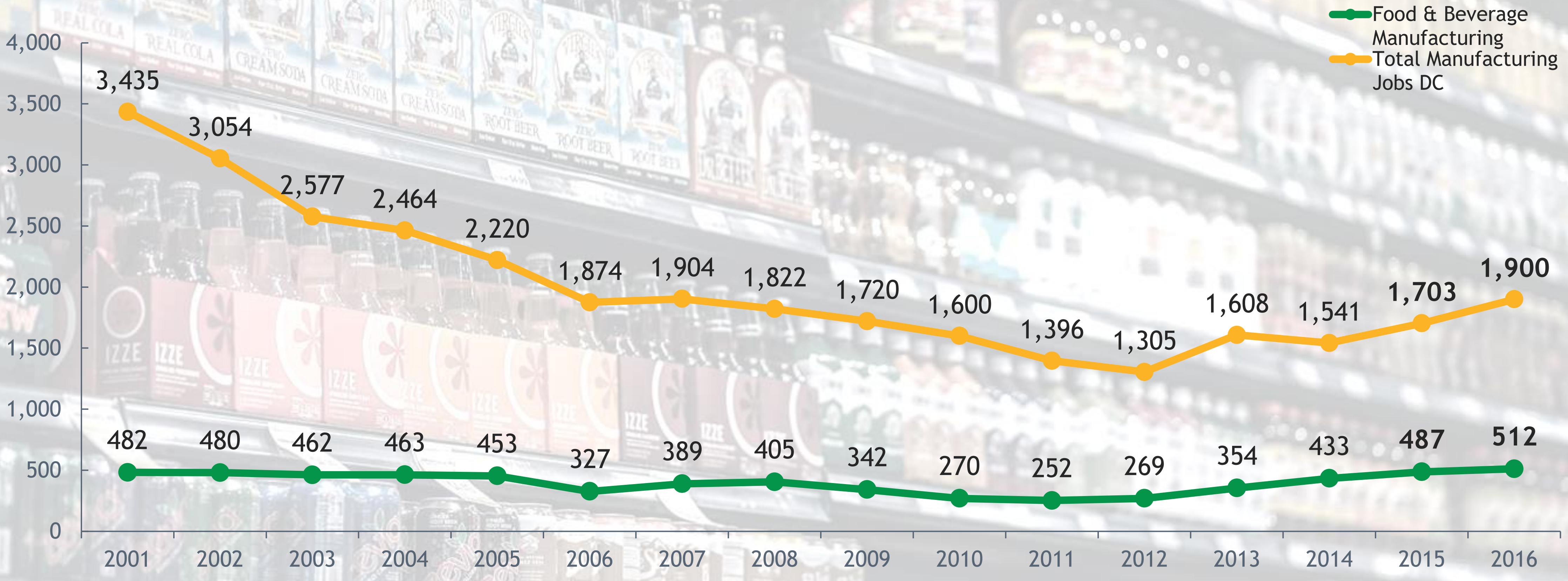


Source: EMSI (based on BLS data)

- Since 2005 food and beverage retail stores have also grown significantly in the District, growing from 26.5% of total retail jobs in the city in 2005 to 31% in 2016.

District of Columbia

Number of Jobs in Food and Beverage Manufacturing and Total Manufacturing 2001-2016

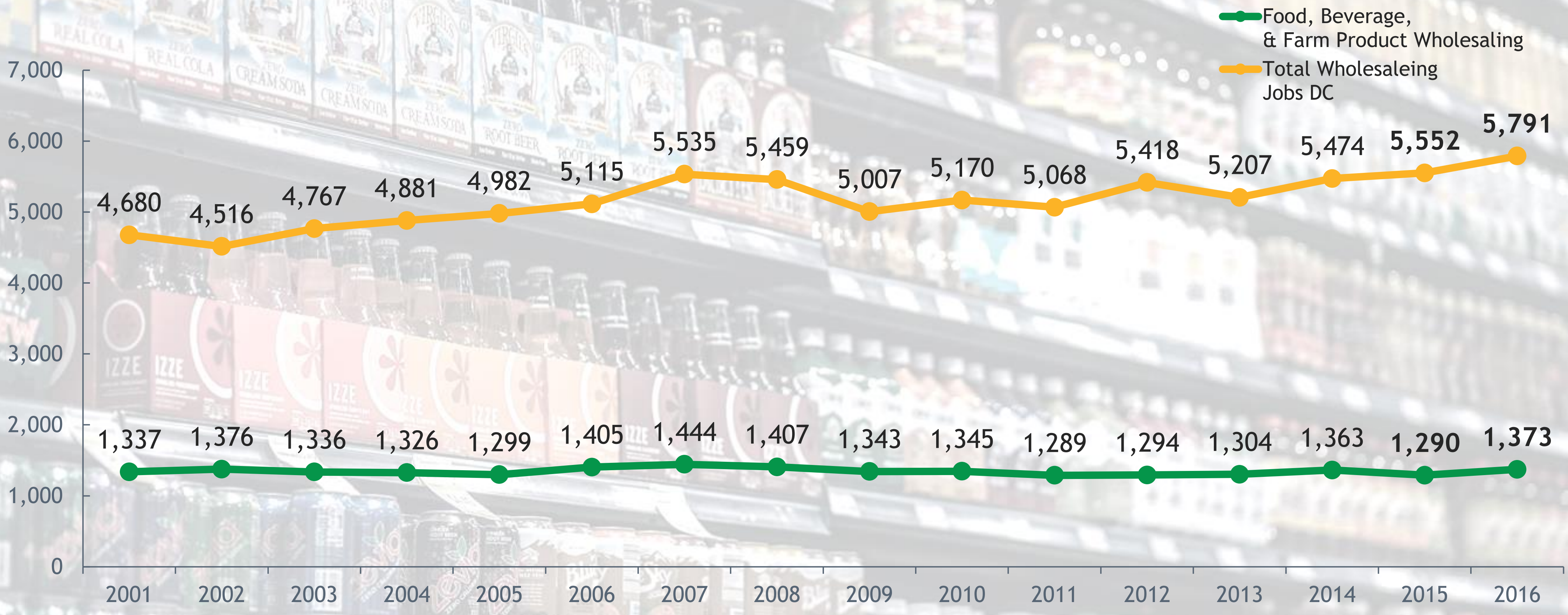


Source: EMSI (based on BLS data)

- Food and beverage manufacturing, after declining in the District for a number of years, has shown a resurgence in the past 5 years, led by the growth of breweries.

District of Columbia

Number of Jobs Food, Beverage, and Farm Product Wholesaling and Total Wholesaling 2001-2016

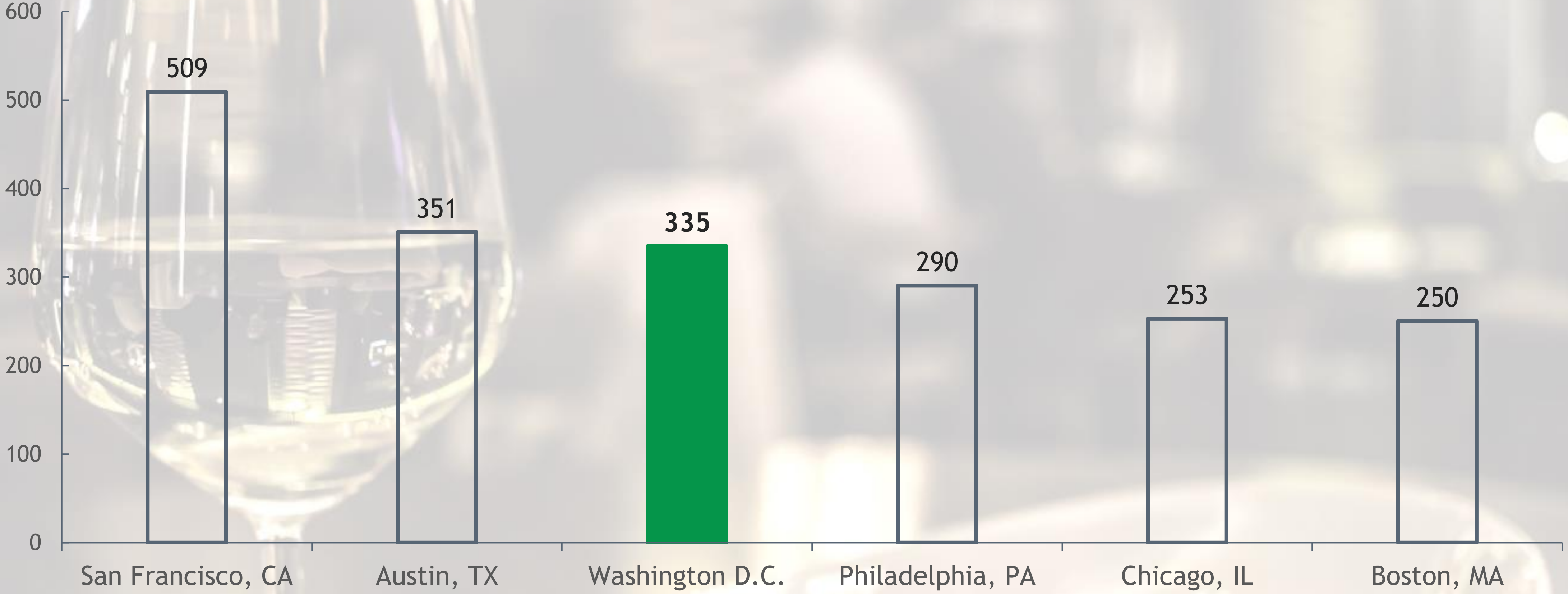


Source: EMSI (based on BLS data)

- Food and beverage wholesaling in the District has remained relatively stable in the city as a result of growth in alcoholic beverage wholesaling, balancing out a sharp decline in grocery product wholesaling. This is in contrast to non-food related wholesaling which has grown in the city over the past seven years.

District of Columbia

Food Services and Drinking Places per 100K in Population, 2016.



Source: Dunn & Bradstreet and U.S. Census 2016 Population

District of Columbia

Concentration of Food Sectors Compared to U.S.

NAICS	Description	2001 Location Quotient	2016 Location Quotient	Percent Change 2001-2016
722310	Food Service Contractors	1.76	1.58	-10.3%
722320	Caterers	1.86	1.36	-26.7%
445120	**Convenience Stores**	**0.42**	**1.36**	**224.9%**
722410	**Drinking Places (Alcoholic Beverages)**	**0.55**	**1.21**	**118.7%**
722511	**Full-Service Restaurants**	**0.81**	**1.11**	**36.5%**
722513	Limited-Service Restaurants	0.43	0.65	50.7%
445110	Supermarkets and Other Grocery (except Convenience) Stores	0.35	0.43	21.1%
424470	Meat and Meat Product Merchant Wholesalers	0.98	0.42	-56.8%
312120	Breweries	0.04	0.34	687.3%
311812	Commercial Bakeries	0.29	0.20	-29.9%
424410	General Line Grocery Merchant Wholesalers	0.11	0.13	26.1%

Source: EMSI

- When compared to the U.S. as a whole, the District has a greater concentration of workers in a number of food service related sectors but less of a concentration of food wholesalers and manufacturers.

- Just 15 years ago, the District had significantly lower concentrations of convenience stores, bars, and full-service restaurants then in the U.S. as a whole, while today the concentration is significantly higher than Nationally.

DC Food Economy

Direct Employment Compared to a Sample of Other Industry Sectors (2016)

Industry Sector	Direct Employment	% of Total
Food Economy	71,298	8.0%
Professional Services	133,190	15.0%
Health Care and Social Assistance	73,742	8.3%
Federal Government, Civilian	196,043	22.1%
Construction	18,638	2.1%
Finance and Insurance	24,507	2.8%

Source: EMSI based on BLS

District of Columbia and COG

Employment in Food Sectors, District of Columbia Compared to COG (without DC)

Industry	District of Columbia			Council of Governments Area (without DC)		
	Employment 2001	Employment 2016	Percent Change 2001-2016	Employment 2001	Employment 2016	Percent Change 2001-2016
Agriculture	**NA**	**NA**	**NA**	**7,350**	**6,829**	**-7.1%**
Food manufacturing	**477**	**366**	**-23.3%**	**5,560**	**7,003**	**26.0%**
Beverage and tobacco product manufacturing	**5**	**146**	**2820.0%**	**1,726**	**2,257**	**30.8%**
Grocery and related product wholesalers	**768**	**658**	**-14.3%**	**4,792**	**6,579**	**37.3%**
Alcoholic beverage merchant wholesalers, Farm Supply	**564**	**689**	**22.2%**	**1,423**	**1,808**	**27.0%**
Food and beverage stores, Farm supply, Vending	**5,436**	**8,125**	**49.5%**	**40,182**	**55,726**	**38.7%**
Food services and drinking places	**29,761**	**53,813**	**80.8%**	**40,182**	**55,726**	**38.7%**
Full-service restaurants	14,385	27,804	93.3%	54,737	76,673	40.1%
Limited-service restaurants (includes fast casual)	6,019	12,945	115.1%	37,759	60,565	60.4%

Source: EMSI Based on BLS

- The District's food economy sectors, with the exception of wholesalers and food manufactures, have all grown more rapidly than those sectors in the COG region, particularly restaurants and food retailers.

Economic Impact of the COG Region Food Economy

MWCOG City/County	Employment	Labor Income	Total Value Added	Output
District of Columbia	81,831	$3,643,107,946	$5,470,006,040	$8,685,100,681
Montgomery Co, MD	68,977	$2,817,449,556	$4,408,112,527	$7,008,831,193
Prince George's Co, MD	50,200	$1,598,585,452	$2,801,487,505	$5,006,709,695
Frederick Co, MD	24,011	$686,660,416	$1,216,710,414	$2,498,866,610
Charles Co, MD	9,451	$249,744,119	$450,476,127	$832,842,088
Fairfax Co, VA	75,366	$3,006,806,269	$4,888,947,227	$7,670,342,310
Arlington Co, VA	20,272	$809,430,183	$1,248,154,484	$1,951,256,277
Alexandria, VA	14,010	$555,866,825	$894,041,898	$1,521,829,603
Loudoun Co, VA	30,107	$945,775,940	$1,626,961,598	$2,839,040,222
Prince William Co, VA	25,268	$729,859,579	$1,272,460,659	$2,230,442,455
TOTAL IMPACT (Without DC)	**317,663**	**$11,400,178,339**	**$18,807,352,439**	**$31,560,160,453**
TOTAL IMPACT (With DC)	**399,494**	**$15,043,286,284**	**$24,277,358,479**	**$40,245,261,133**

Source: IMPLAN utilizing ICF inputs

The Districts food economy is the largest among all cities and counties in the COG region, despite being smaller in population than Fairfax, Montgomery, and Prince George’s County.

Supply and Demand in Direct Food Sectors in the District of Columbia

Industry	Local Demand from District Residents	Local Supply From District Businesses	Excess Local Demand from District Residents
Bottled and canned soft drinks and water	$232,194,500	$1,485,850	**$230,708,650**
Bread and bakery products, except frozen	$198,287,000	$76,295,020	**$121,991,980**
Beer, ale, malt liquor and nonalcoholic beer	$136,072,400	$40,415,600	**$95,656,800**
Canned fruits and vegetables	$91,957,340	$9,460,086	**$82,497,254**
Retail services - Food and beverage stores (includes grocery Stores)	$594,826,600	$519,916,100	**$74,910,500**
Wine and brandies	$70,303,120	$820,108	**$69,483,012**
Distilled liquors except brandies	$52,231,040	$7,790,903	**$44,440,137**
Coffee and tea	$52,667,730	$11,043,180	**$41,624,550**
All other food products	$71,257,250	$30,448,750	**$40,808,500**
Limited-service restaurant services	$1,448,579,000	$1,853,355,000	**-$404,776,000**
Community food, housing, and other relief services*	$149,705,100	$605,327,900	**-$455,622,800**
All other food and drinking place services (largely food service contractors)	$394,003,900	$849,971,500	**-$455,967,600**
Full-service restaurant services	$989,106,400	$2,255,123,000	**-$1,266,016,600**

Source: IMPLAN utilizing ICF Inputs. * Includes public and emergency food services (such as soup kitchens), homeless shelters, and other public relief services.

- There is more demand from District of Columbia residents than District businesses supply in a number of food manufacturing sectors. Initiatives to buy locally produced food and beverages can help those manufacturers to capture more local market share.
- Demand in food retail from District of Columbia residents is higher than the supply in the city, indicating the opportunity for additional grocery stores in underserved areas of the District.

Source of Demand for the District's of Food Economy Sectors

Description	Household Demand from District Residents	Domestic and Foreign Exports	Total Demand*	Percent of Demand from District Residents
Limited-service restaurants	$1,141,969,919	$408,926,758	$1,673,519,410	68%
Full-service restaurants	$570,298,864	$1,077,180,385	$1,673,382,598	34%
All other food and drinking places	$281,383,335	$448,764,824	$756,370,647	37%
Retail - Food and beverage stores	$503,445,259	$11,371,521	$516,052,916	98%
Bread and bakery product, except frozen, manufacturing	$5,751,596	$69,572,469	$76,122,790	8%
Breweries	$8,057,135	$32,986,062	$41,147,286	20%
All other food manufacturing	$1,416,273	$36,766,259	$38,255,612	4%
Coffee and tea manufacturing	$197,048	$11,899,470	$12,152,408	2%
Canned fruits and vegetables manufacturing	$470,223	$10,642,760	$11,221,064	4%
Distilleries	$16,098	$8,391,051	$8,407,249	0%

Source: IMPLAN.
*Total demand also includes government demand, capital, and inventory, not shown here.

- Household demand includes demand from consumers that live in the District.
- Domestic and foreign exports include demand from consumers that live in all areas outside the District of Columbia (including commuters and day-trippers).

- The Districts many restaurants rely on domestic and foreign visitors, and commuters and day-trippers from outside the city for roughly one quarter of its business.
- Much of the city's manufactured foods and beverages are exported out of the District.

Projected Growth in the Districts Food Economy Sectors

Industry Sector	Employment 2016	Projected Employment 2026	Change	Percent Change
Food Manufacturing	353	552	199	56%
Beverage Manufacturing	119	252	133	112%
Grocery and Related Product Merchant Wholesalers	659	610	-49	-7%
Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers	684	773	89	13%
Food and Beverage Stores	7,909	9,709	1,800	23%
Food Service Contractors	4,960	6,432	1,472	30%
Drinking Places (Alcoholic Beverages)	2,502	3,360	858	34%
Full-Service Restaurants	27,830	33,386	5,556	20%
Limited-Service Restaurants	12,967	15,668	2,701	21%

Source: ESRI based on BLS

- The District’s Food economy is projected to continue to grow over the next 10 years, including food and beverage manufacturers, food retail, food service contractors and restaurants.

Preliminary Findings:
Opportunities

1. Create workforce development and training initiatives that prep DC residents for jobs in full-service restaurants.

2. Attract businesses that supply the District's restaurants and encourage restaurants to purchase goods and services from DC-based businesses or DMV area businesses, where available.

    - Regional initiatives that encourage local sourcing in the food economy can provide a significant opportunity to strengthen the sector and benefit the overall economy of the region.

3. Research why wholesalers that supply the District of Columbia's restaurant industry may be relocating to other areas of the region and examine initiatives to collaborate with surrounding jurisdictions.

    - Employment loss in wholesaling in the District of Columbia was led by seafood and meat wholesalers, which both grew substantially in the areas of the COG outside of the District. Non-food related wholesaling in the District has been relatively stable.

Preliminary Findings:
Opportunities (continued)

4. Attract min. 2 large-format grocery stores to areas of DC that are underserved.

5. Continue initiatives to support DC as a popular visitor destination for domestic and international travelers.

   - Data suggests that the District's many restaurants and food service contractors rely heavily on visitors to the city, both commuters and day-trippers, and tourists.

6. Link DC food service businesses (restaurants, caterers, contractors), producers, and suppliers to the many large institutional consumers in the District.

   - Data suggests that the District's colleges and universities, hospitals, industry and trade organizations, and large professional services sector, are major consumers of food economy businesses.

7. Develop initiatives in the community that support buying local District-produced products.

   - Data suggests that there is strong demand for food and beverage products that have District based producers, such as bakery products, beer, and coffee.
   - Opportunities exist for District businesses in these sectors to capture more local market share.

Methodology
Survey

Stratified random sample and organic outreach
- Total responses – 94
- Completion rate – 71%

Organic Outreach
- 55 Responses

Outreach Channels
- Word of mouth
- DCFPC listserv
- DCFPC website
- Restaurant Association of Metropolitan Washington
- DC Brewer's Guild
- National Association of Catering and Events, Greater Washington DC Chapter
- Pineapple DC
- Korean Grocers Association

Stratified Random Sample pulled from list of 3,229 food-related businesses

- 39 Responses

LIMITATIONS

Due to the limited number of respondents and the low response rate, particularly from the randomly selected sample, we are able to report **frequency distributions** only. Additionally, we encourage the reader to use caution interpreting the survey data because our results are based on a **small number of respondents**, who are not necessarily representative of the full population of DC food-related businesses.

Preliminary Findings

- Most survey respondents agreed that **DC is a favorable environment for food businesses**
- Key strengths are **strong demand** from DC households and **local and regional supply chains**
- There are opportunities to **clarify and improve regulatory** processes
- Many survey respondents and interviewees expressed concern about the **minimum wage**
- **Workforce development** and **job training** emerged as key areas of opportunity

Methodology – Interviews

Purposeful Sampling & Snowball Sampling

60 contacted → 57 eligible → 29 interviews scheduled* → 30 no or no response

Interviewees

Baked & Wired	Compass Coffee	Earth Spring Farm	Little Wild Things	
Bread for the City	Chipotle	Eclectic Café	Mandu, ChiKo	Thai Orchid
Busboys and Poets	DC Brau	Firehook	Mess Hall	Three Part Harmony Farms
CAFB	DC Farmer’s Market Collaborative	Galley	Occasions Caterers	Uncle Chip's
Capitol Kombucha	District Equities	Glen's Garden Market	Prestige Beverage	Washington Green Grocers
Cava Mezze	DMV Food Truck Association	Hotel Association of WDC	Republic Restoratives	

Subsectors

Beverage Manufacturing	Catering	Distributor	Food and Beverage Store	Nonprofit
Business Incubator/Commercial Kitchen	Urban Farm	Farmers Market	Food Contractor	Restaurant/Bar
Community Supported Agriculture (CSA)	Mobile Food Services	Food Manufacturing	Other: Hotel, Real Estate	

Preliminary Findings - Strengths

62% Of Survey Respondents (N=76) Agree Or Strongly Agree That Dc Is Favorable Environment For Starting A New Food Related Business

83%

Regional Supply Chain

82%

Demand for Goods and/or Services

70%

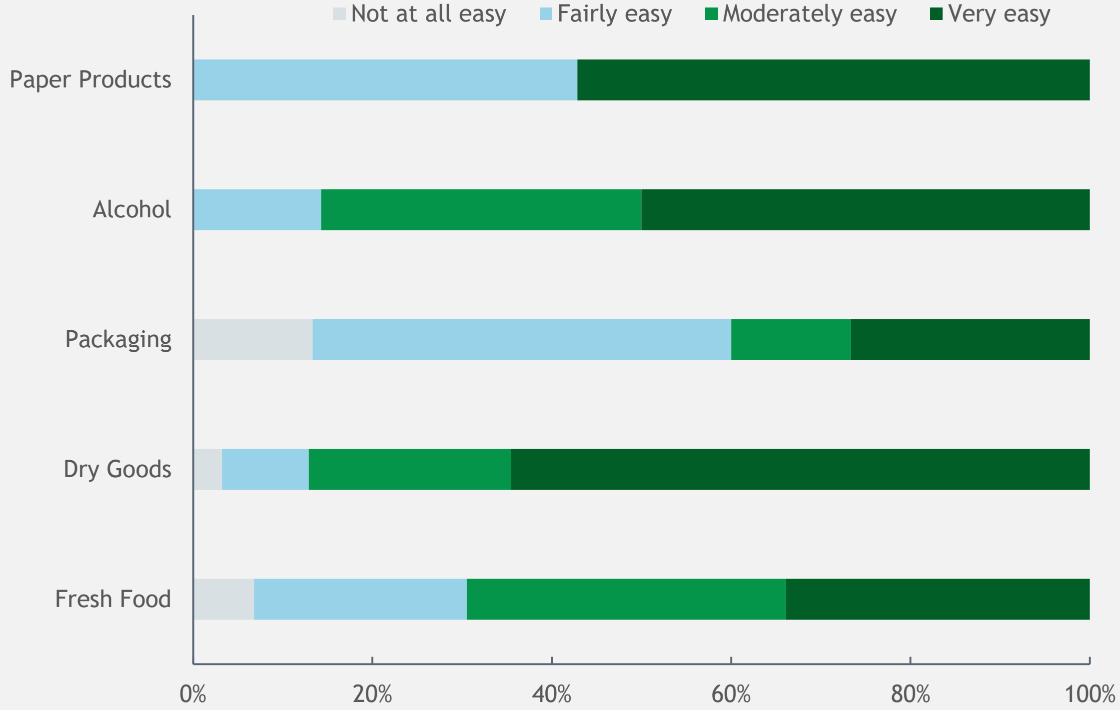
Local Supply Chain

MOST HELPFUL FACTORS TO COMPANIES IN DC'S FOOD INDUSTRY
Survey Responses, N=68

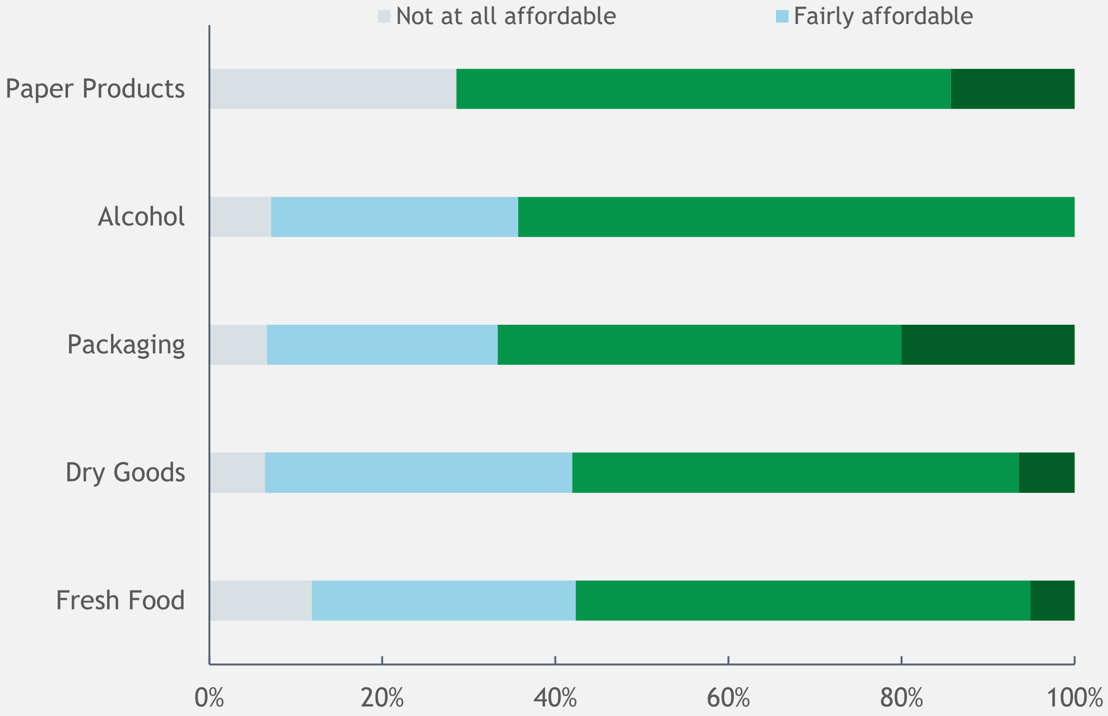
Preliminary Findings – Supply Chain

Availability and Affordability of Key Supplies

Key Supplies - Availability



Key Supplies - Affordability

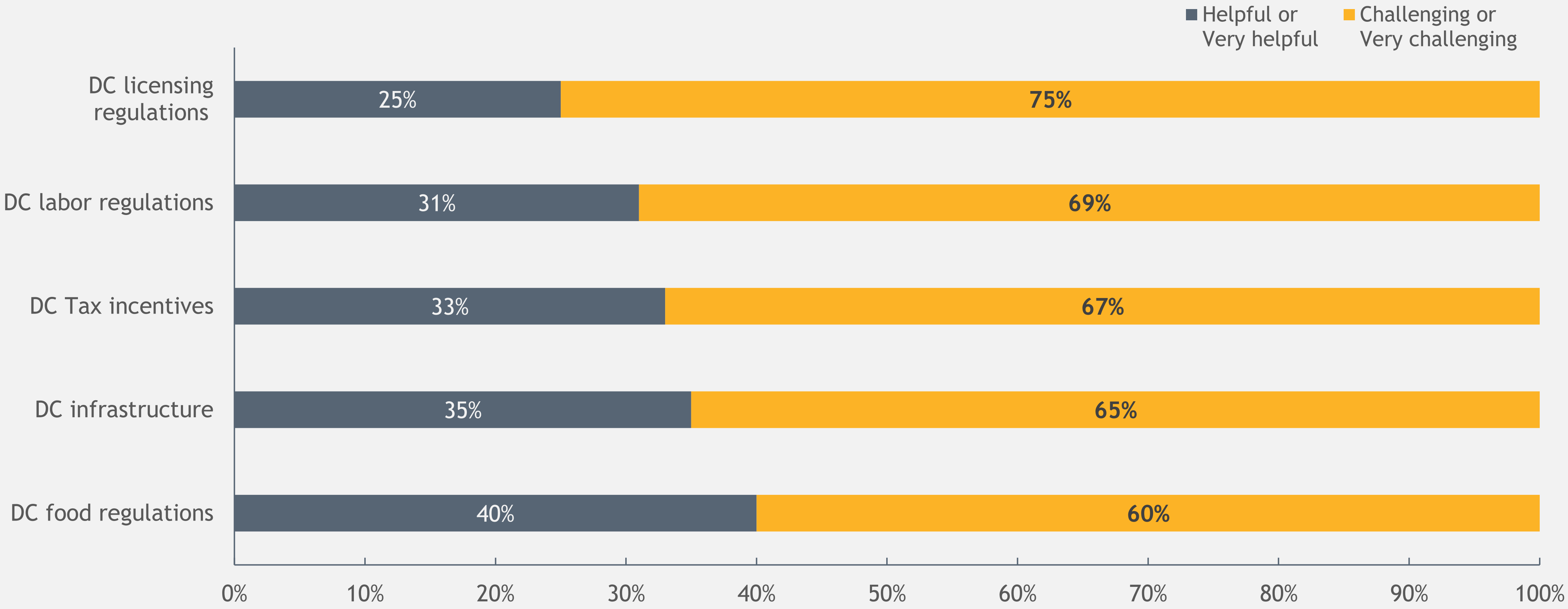


Survey responses, N=60

There may be an opportunity to supply paper products and packaging

Preliminary Findings - Challenges

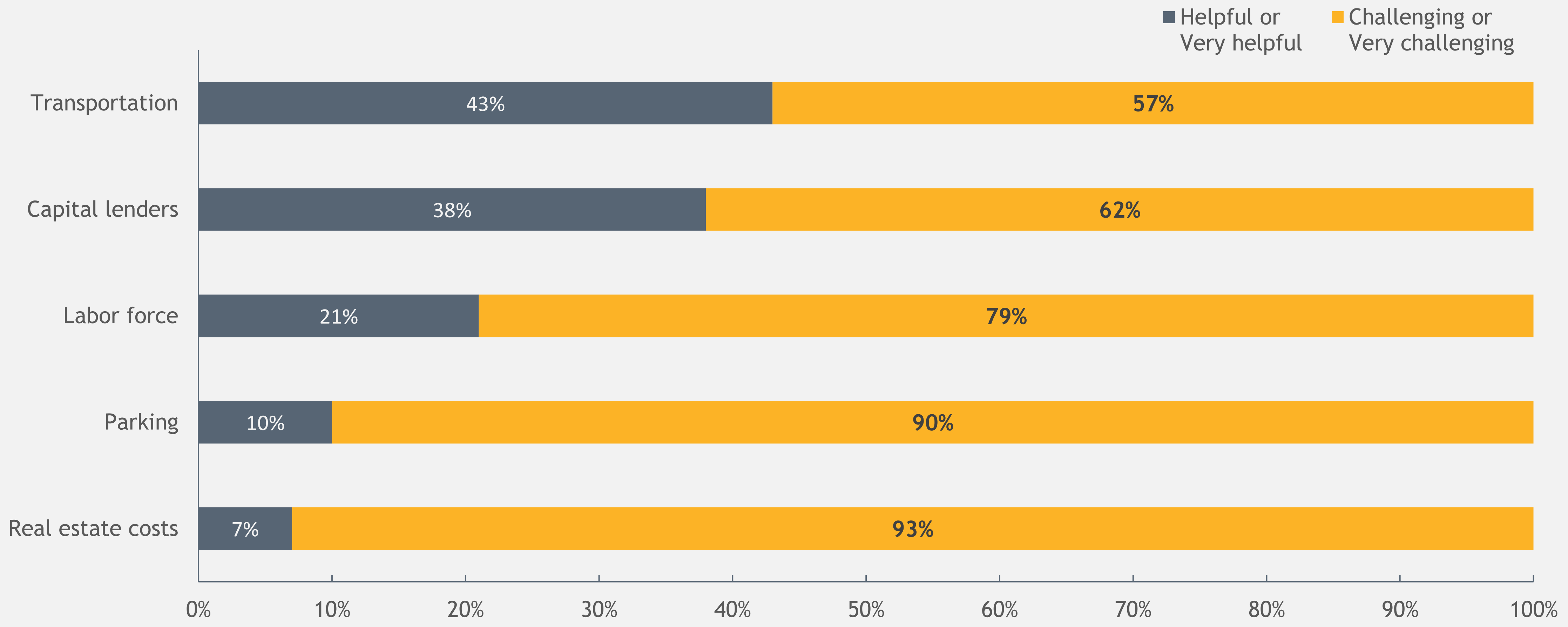
Survey, N=76



Licensing & Labor are top challenges for business owners and managers

Preliminary Findings - Challenges

Survey, N=68



Real estate costs & parking are top challenges

Preliminary Findings:

Workforce

New/Existing Food Industry Subsectors that Need to Grow in Order to Strengthen DC's Food Industry | Survey, N=65

Respondents were able to select multiple subsectors (e.g., restaurants, urban farms, wholesalers)

- The largest percentages of respondents selected **workforce development (51%)** and **job training (54%)** as subsectors that need to grow to strengthen DC's food industry.

Where do you see opportunities for job creation in the DC food industry? | Survey, N=45

- Largest number of responses (n=11) see opportunities to **fill existing positions**, particularly in restaurants, and a need for **job training** to prepare workers for existing and new positions.

- Remaining respondents mentioned restaurants (some specified fast casual), manufacturing, urban farms, retail grocery, and catering.

Preliminary Findings:

Real Estate

93%

93% of survey respondents (n=68)

- Real estate costs
- Challenging or Very Challenging

Interview Themes

- Real estate is very expensive and contributes to the high cost of doing business in the District.
- There is a shortage of industrial space that is suitable for food production and warehousing.
- Lack of space to “grow into” is a constraining factor for businesses that want to expand and scale.

Strengths, Challenges & Opportunities

- ✓ Food businesses want to be in DC, largely due to strong demand for their goods and services.
- ✓ Local and regional supply chains are seen as favorable - there may be an opportunity to supply packaging and paper products, including recyclable and compostable versions.
- – Regulatory processes could be clarified and improved
  - ➢ Flow and process charts, enhanced interagency communication and collaboration, streamlined processes.
- – Identifying and hiring qualified staff is a challenge, as are labor costs
  - ➢ Job training programs with a soft skills component could prepare DC residents to fill open positions at existing food industry businesses.

Questions & Discussion

Have opportunities for Regional Food or Food Economy Collaboration?

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